

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM: 3.16  
(ID # 23876)**

**MEETING DATE:**  
Tuesday, January 30, 2024


**FROM :** HOUSING AND WORKFORCE SOLUTIONS:

**SUBJECT:** HOUSING AND WORKFORCE SOLUTIONS (HWS): Adoption of Resolution No. 2024-025, Approving Funding Allocation and Support for Application for Low-Income Housing Tax Credits to the California Tax Credit Allocation Committee for the Oak View Ranch Senior Apartments (formerly known as Murrieta Apartments Phase II) Multifamily Housing Project, Located in the City of Murrieta; Reapprove up to \$6,000,000 from American Rescue Plan Act (ARPA) Funds to National Community Renaissance of California, or its Affiliate, for the Development of Oak View Ranch Senior Apartments Multifamily Housing Project; District 3. [\$6,000,000 - 100% American Rescue Plan (ARPA) Funds]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Adopt Resolution No. 2024-025, Approving Funding Allocation and Support for Application for Low-Income Housing Tax Credits to the California Tax Credit Allocation Committee for the Oak View Ranch Senior Apartments (formerly known as Murrieta Apartments Phase II) Multifamily Housing Project, Located in the City of Murrieta; and
2. Reapprove up to \$6,000,000 from American Rescue Plan Act (ARPA) Funds to National Community Renaissance of California, a California nonprofit public benefit corporation, or its affiliate, for the Oak View Ranch Senior Apartments Multifamily Housing Project, subject to the conditions set forth in Resolution No. 2024-025.

**ACTION:**Policy


  
Heidi Marshall, Director 12/27/2023

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Perez, seconded by Supervisor Jeffries and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez  
Nays: None  
Absent: None  
Date: January 30, 2024  
xc: HWS

Kimberly A. Rector  
Clerk of the Board  
By:   
Deputy

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<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$ 0	\$ 6,000,000	\$ 6,000,000	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS:</b> American Rescue Plan Act (ARPA) Funds (100%)			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b>	23/24 – 24/25

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

On October 19, 2021, the Board of Supervisors allocated \$50,000,000 in ARPA funds (Minute Order 3.5), further divided into five \$10,000,000 investments to each Supervisorial District for the purpose of addressing homelessness through the development of affordable housing and providing shelter. Of this first ARPA allocation, \$4,000,000 is the remaining amount for District 3 that will be allocated to fund the Oak View Ranch Senior Apartments. On October 4, 2022 (Minute Order 3.44), the Board approved the 2<sup>nd</sup> installment allocation of ARPA funding. Of this 2<sup>nd</sup> ARPA allocation, \$33,000,000 was equally distributed to each district. The remaining amount of \$2,000,000 needed for this Proposed Project will come from the 2<sup>nd</sup> installment allocation. The funding allocated by the Board was the State and Local Fiscal Recovery Funds (SLFRF) that the County was allocated as part of the American Rescue Plan Act (ARPA) of 2021 (Pub. L 117-2). These ARPA funds are to focus on projects and/or programs that serve as a pathway to create affordable housing with necessary supporting infrastructure to assist low-income communities disproportionately affected by the COVID-19 pandemic. One of the eligible uses of ARPA funds include the increase in the supply of permanent supportive housing which is critical to addressing homelessness.

On March 28, 2023, the Board of Supervisors adopted Resolution 2023-068, approving \$6,000,000 in ARPA funds to National Community Renaissance of California, also known as National CORE, a California nonprofit public benefit corporation and an affordable housing developer, for the development and construction of a multi-family affordable rental housing project referred to as Oak View Ranch Senior Apartments (formerly known as Murrieta Apartments Phase II), an 81-unit affordable multi-family development (80 rentable units + 1 manager unit) constructed on 1.47-acres of the 6.22-acre site of vacant land owned by the City of Murrieta which is located at 24960 Adams Avenue, (APN 906-080-018) in the City of Murrieta for low- income households at risk of homelessness and special needs (Proposed Project).

National CORE was unsuccessful in obtaining funding from the oversubscribed application round for the California Tax Credit Allocation Committee in year 2023. The County ARPA funding under Resolution 2023-068 expired on December 31, 2023, so National CORE has requested County to renew its resolution for support and approval for ARPA funding for the



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Proposed Project. To enhance its competitiveness in the forthcoming round of the California Tax Credit Allocation Committee for tax credits, National CORE is designating units specifically for homeless seniors. This strategic allocation of units for this population positions the Proposed Project to participate in a dedicated set-aside, significantly increasing its chances of securing low-income housing tax credits. Furthermore, the Proposed Project boasts a competitive tiebreaker score for low-income housing tax credits, due to the County's ARPA funding commitment.

The Proposed Project remains unchanged, and affordable multifamily rental housing project consisting of one building comprised of 72 one-bedroom units, 8 two-bedroom units, and 1 three-bedroom unit. The Proposed Project is Phase II of a two-phase development consisting of a total 200-unit multi-family housing development. The Oak View Ranch Family Apartments (formerly known as Murrieta Apartments Phase I) consists of 119-units and the Oak View Ranch Senior Apartments (formerly known as Murrieta Apartments Phase II) as stated herein consists of the balance of 81-units. A total of 40 units will be restricted under ARPA of which 19 units will be restricted to households whose incomes do not exceed 60% AMI, 8 units will be restricted to households whose incomes do not exceed 40% AMI, and 13 units will be restricted to households whose incomes do not exceed 30% AMI and which may have overlap with the above referenced units.

The Proposed Project will be financed using low-income housing tax credits and owned by a limited partnership to be formed by the Developer at a later date upon award of tax credits. The Proposed Project has a funding gap of \$6,000,000 which Developer applied to the County requesting assistance in the form of ARPA funds. Other financing sources for the Proposed Project are anticipated to include \$19,627,773 in investor equity, \$2,254,000 from Bank of America Financing, City grant of \$1,500,000 in ARPA funds from City of Murrieta (including a \$1,188,000 land loan), and \$780,000 in General Partnership Equity. The total cost of development during the permanent financing period is approximately \$31,349,773.

In order to complete the Tax Credit Allocation Committee (TCAC) application for an allocation of low-income housing tax credits, Developer must provide resolutions from the local jurisdiction providing support for the Proposed Project and proposed funding commitment.

The attached proposed Resolution No. 2024-025 provides Board support for the Proposed Project and recommends reapproval of an allocation of up to \$6,000,000 in ARPA funds to be used as a loan to Developer to pay a portion of the development and construction costs for the Proposed Project. Staff recommends that the allocation of the ARPA funds be valid until December 31, 2024.

The attached proposed Resolution No. 2024-025, allocating up to \$6,000,000 in ARPA funds to the Proposed Project, subject to Developer's satisfaction of the conditions specifically set forth in the attached Resolution No. 2024-025, which includes but are not limited to, the following:

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
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1. Securing any, and all land use entitlements, permits and approvals which may be required for development and construction of the Proposed Project, including, but not limited to, compliance with the California Environmental Quality Act (CEQA);
2. Obtaining sufficient equity capital or firm and binding commitments for construction and permanent financing necessary to undertake the development and completion of the Proposed Project; and
3. Successful negotiation of an agreement requiring compliance with the ARPA Rules approved by the Board of Supervisors and approved as to form by County Counsel.

Staff recommends that the Board adopt Resolution No. 2024-025. County Counsel has reviewed and approved the attached Resolution No. 2024-025 as to form.

**Impact on Residents and Businesses**

Approving this item will have a positive impact on the citizens and businesses in southwestern Riverside County. The Proposed Project is expected to generate construction, permanent maintenance and property management jobs, and provide affordable housing for residents of the County of Riverside.

**SUPPLEMENTAL:  
Additional Fiscal Information**

No impact upon the County's General Fund; the County's contribution will be fully funded with American Rescue Plan Act (ARPA) funds.

**Attachment:**

- Resolution No. 2024-025

  
Brianna Lontajo, Principal Management Analyst 1/23/2024

  
Aaron Gettis, Deputy County Counsel 1/9/2024

**BOARD OF SUPERVISORS**

**COUNTY OF RIVERSIDE**

**RESOLUTION NO. 2024-025  
APPROVING FUNDING ALLOCATION AND SUPPORT FOR APPLICATION FOR  
LOW-INCOME HOUSING TAX CREDITS TO THE CALIFORNIA TAX CREDIT  
ALLOCATION COMMITTEE FOR THE OAK VIEW RANCH SENIOR  
APARTMENTS (FORMERLY KNOWN AS MURRIETA APARTMENTS PHASE II)  
MULTIFAMILY HOUSING PROJECT, LOCATED IN THE CITY OF MURRIETA**

**WHEREAS**, on March 11, 2021, the American Rescue Plan Act (Pub. L. 117-2) (Title VI of the Social Security Act Section 602 et seq.), hereinafter "ARPA", was signed into law providing federal funding relief for American workers, families, industries, and state and local governments; and

**WHEREAS**, on October 19, 2021, via Minute Order 3.5, the Board of Supervisors of the County of Riverside allocated \$50,000,000 in ARPA funds to increase shelter capacity, permanent supportive housing units, and affordable housing to help address homelessness; and

**WHEREAS**, on October 4, 2022 (Minute Order 3.44), the Board approved the second installment allocation of APRA funds to focus on projects and programs that serve as a pathway to create affordable housing with necessary supporting infrastructure to assist low-income communities disproportionately affected by the COVID-19 pandemic; and

**WHEREAS**, National Community Renaissance of California, a California nonprofit public benefit corporation and an affordable housing developer ("Developer"), proposes to develop and construct a multi-family affordable rental housing project currently referred to as Oak View Ranch Family Apartments (formerly known as Murrieta Apartments Phase I), as well as a senior housing project, Oak View Ranch Senior Apartments (formerly known as Murrieta Apartments Phase II), for low-income family households. Oak View Ranch Senior Apartments is expected to be financed with 9% or 4% Low-Income Housing Tax Credits ("LIHTC"). The proposed project, Oak View Ranch Senior Apartments, will consist of a total of eighty one (81) affordable rental units (one of which is a set-aside manager unit); of those, forty (40) units will be set aside for the at-risk senior population (homeless/special needs) that is to be developed and constructed on 1.47-acres of the 6.22-acre site of the entire project. The site is currently owned

*RESOLUTION NUMBER 2024-025  
Murrieta Apartments Phase II*

FORM APPROVED COUNTY COUNSEL  
BY: PAULA S. SALCIDO  
DATE: 1-8-2024



1 by the Murrieta Housing Authority and is located at 24960 Adams Avenue in the City of  
2 Murrieta, County of Riverside, State of California, identified as Assessor's Parcel Number 906-  
3 080-018 ("Property"). Following subdivision of the Property, the City will ground lease portions  
4 of the Property for each phase or subphase; and

5       **WHEREAS**, in connection with this award of ARPA funds, 19 of the total units will be  
6 restricted to households whose incomes do not exceed 60% of the Riverside County Area  
7 Median Income, and 8 of the total units will be restricted to households whose incomes do not  
8 exceed 40% of the Riverside County Area Median Income, and 13 of the total units will be  
9 restricted to households whose incomes do not exceed 30% of the Riverside County Area  
10 Median Income and which may have overlap with the above referenced units; and

11       **WHEREAS**, Developer has submitted an application to the County requesting financial  
12 assistance in the amount of \$6,000,000 in ARPA funds ("County Allocation") to develop Oak  
13 View Ranch Senior Apartments. The County Allocation is needed to fill an existing financing  
14 gap in the amount of \$6,000,000 for Oak View Ranch Senior Apartments; and

15       **WHEREAS**, the California Tax Credit Allocation Committee ("TCAC") facilitates the  
16 investment of private capital into the development of affordable rental housing for low-income  
17 households through the allocation of federal and state tax credits to affordable housing  
18 developers; and

19       **WHEREAS**, corporations provide equity to build the projects in return for the tax credits  
20 in which TCAC verifies that the developers have met all the requirements of the program and  
21 ensures the continued affordability and habitability of the developments for the succeeding 55  
22 years; and

23       **WHEREAS**, Developer intends to submit an application to TCAC for an allocation of  
24 low-income housing tax credits and the proceeds from the sale of such tax credits will be used to  
25 finance project costs; and

26       **WHEREAS**, the application deadline to be considered for a 2024 allocation of tax credits  
27 through TCAC is anticipated in February or April 2024; and  
28

1           **WHEREAS**, to complete the TCAC application process, the Developer must provide a  
2 resolution from the local jurisdictions, including the County, supporting the project; and

3           **WHEREAS**, the Developer has successfully completed several affordable housing  
4 complexes in the County; and

5           **WHEREAS**, the County desires to approve an allocation of funding in the approximate  
6 amount of \$6,000,000 in ARPA funds, to be used to pay a portion of the costs to develop and  
7 construct the Oak View Ranch Senior Apartments of the proposed project on the Property,  
8 subject to Developer's satisfaction of certain conditions precedent for the benefit of the County;

9           **WHEREAS**, the County desires to support the Developer's application to TCAC for an  
10 allocation of low-income housing tax credits.

11           **NOW THEREFORE, BE IT RESOLVED, FOUND, DETERMINED AND**  
12 **ORDERED** by the Board of Supervisors of the County of Riverside ("Board"), in regular  
13 session assembled on January 30, 2024 in the meeting room of the Board of Supervisors located  
14 on the 1st floor of the County Administrative Center, 4080 Lemon Street, Riverside, California,  
15 as follows:

- 16       1) The Board of Supervisors hereby finds and declares that the above recitals are true and  
17       correct and incorporated as though set forth herein.
- 18       2) The Board of Supervisors supports the Developer's application to TCAC for an  
19       allocation of low-income housing tax credits, the sale proceeds of which will be used to  
20       finance the Oak View Ranch Senior Apartments of the proposed project to construct 81  
21       affordable rental units, on real property located on a to-be-subdivided portion of  
22       approximately 6.22 acres of land located at 24960 Adams Avenue, in the City of  
23       Murrieta, County of Riverside, State of California, identified as Assessor's Parcel  
24       Number 906-080-018.
- 25       3) Subject to any and all restrictions on the use of ARPA funds, the Board of Supervisors  
26       agrees to provide financial assistance to the Developer in the maximum amount of  
27       \$6,000,000 of ARPA funds, for construction of affordable housing and the conduct of  
28       eligible activities on the Oak View Ranch Senior Apartments of the project, subject to

*RESOLUTION NUMBER 2024-025  
Murrieta Apartments Phase II*

1 the satisfaction of the following conditions precedent:

- 2 a. Borrower shall be: National Community Renaissance of California, a nonprofit  
3 public benefit corporation and an affordable housing developer, or a limited  
4 partnership controlled by National Community Renaissance of California for the  
5 specific purpose of attracting investor equity and developing, constructing, and  
6 owning the project where National Community Renaissance of California, or a  
7 single purpose entity affiliate of National Community Renaissance of California,  
8 is the general partner/managing member;
- 9 b. Project Name shall be: Oak View Ranch Senior Apartments;
- 10 c. ARPA Loan Amount: Not to exceed Six Million Dollars (\$6,000,000);
- 11 d. Interest shall be: Three percent (3%) simple interest;
- 12 e. Affordability Period shall be: 55 years from recordation of the Notice of  
13 Completion in the official records of the County of Riverside, subject to an  
14 affordability covenant agreement recorded in senior lien position to all deeds of  
15 trust;
- 16 f. ARPA Loan Term: 55 years;
- 17 g. Repayment shall be from loan payments derived from the project's residual  
18 receipts;
- 19 h. Entitlements and Governmental Approvals: Developer shall secure any and all  
20 required land use entitlements, permits and approvals which may be required for  
21 construction of the project, including, but not limited to compliance with the  
22 California Environmental Quality Act and the National Environmental Policy  
23 Act;
- 24 i. Other Financing: The ARPA loan is expressly conditioned upon the Developer's  
25 ability to secure sufficient equity capital or firm and binding commitments for  
26 financing necessary to undertake the development and construction of the project.  
27 All financing contemplated or projected with respect to the project shall be, or  
28 have been, approved in form and substance by the Board of Supervisors. Other



1 project permanent financing sources in addition to the ARPA funds are expected  
2 to include \$19,627,773 in investor equity, \$2,254,000 of Bank of America  
3 Financing, City grant of \$1,500,000 in ARPA funds from City of Murrieta  
4 (including a \$1,188,000 land loan), and \$780,000 in National Community  
5 Renaissance of California General Partnership Equity; provided, however, that  
6 these numbers are estimates subject to ongoing underwriting as well as an  
7 evolving cost environment. The total cost of development, during the permanent  
8 financing period, is currently projected to be approximately \$31,349,773;

9 j. Monitoring Fee: Payment of annual compliance monitoring fee to the County in  
10 the amount of \$8,100. Monitoring fee to be adjusted annually, not to exceed an  
11 increase in the Consumer Price Index (“CPI”); and

12 k. Successful negotiation of a loan agreement evidencing the loan of the ARPA  
13 funds in the amounts approved herein, approved as to form by County Counsel  
14 and approved by the Board of Supervisors and executed by all required parties.

15 4) The Board of Supervisors’ commitment to provide the ARPA funds is subject to the  
16 satisfaction of the conditions precedent set forth herein, is valid until December 31, 2024,  
17 and shall thereafter have no force or effect, unless a ARPA loan agreement related to the  
18 financing of the project (approved as to form by County Counsel) has been approved and  
19 executed by the Board of Supervisors and the Developer.

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2  
3 RESOLUTION NO. 2024-025

4 APPROVING FUNDING ALLOCATION AND SUPPORT FOR APPLICATION FOR LOW-  
5 INCOME HOUSING TAX CREDITS TO THE CALIFORNIA TAX CREDIT ALLOCATION  
6 COMMITTEE FOR THE OAK VIEW RANCH SENIOR APARTMENTS (FORMERLY  
7 KNOWN AS MURRIETA APARTMENTS PHASE II) MULTIFAMILY HOUSING PORRECT,  
8 LOCATED IN THE CITY OF MURRIETA

9  
10 ROLL CALL:

11  
12 Ayes: Jeffries, Washington, Spiegel, Perez, and Gutierrez

13 Nays: None

14 Absent: None

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17 The foregoing is certified to be a true copy of a resolution duly adopted by said Board of  
18 Supervisors on the date therein set forth.

19  
20 KIMBERLY A. RECTOR, Clerk of said Board

21  
22 By: Naomy Lin

23 Deputy